



# MONTEBELLO UNIFIED SCHOOL DISTRICT

Cheryl A. Plotkin/ Assistant Superintendent  
Division of Business Services  
123 South Montebello Blvd., Montebello, CA 90640  
(323) 887-7900, ext. 3194 • Fax: (323) 887-3177

April 19, 2013

The Honorable Board of Supervisors  
County of Los Angeles  
c/o Olga Castaneda, Head, Board Specialist  
383 Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

## ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

59 May 21, 2013

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

RE: Montebello Unified School District Request for Board of Supervisors to Levy Taxes and to Direct the Auditor-Controller to Place Taxes on Tax Roll

Dear Supervisors:

On November 2, 2004, the electorate of the Montebello Unified School District (the "District") authorized the District to issue bonds in the aggregate principal amount not to exceed \$98,000,000. The Board of Education of the District (the "Governing Board") previously approved the issuance, among other series, of \$30,000,000 aggregate principal amount of the District's General Obligation Bonds, Election of 2004, Series 2005 (the "Prior Bonds"), of which \$24,160,000 aggregate principal amount are presently outstanding. At this time, the Governing Board has determined that conditions in the financial marketplace are favorable for the refunding of all of the Prior Bonds. The District has authorized and intends to issue refunding bonds in an aggregate initial principal amount of not to exceed \$28,000,000, to be designated as the "Montebello Unified School District General Obligation Refunding Bonds, Election of 2004, Series 2013A" (the "2013 Refunding Bonds").

This action was approved by a resolution of the Governing Board on April 18, 2013, pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, a copy of which is enclosed.

The District formally requests, in accordance with Education Code Section 15250 and other applicable provisions of law, that the Board of Supervisors (the "Board of Supervisors") of the County of Los Angeles (the "County") adopt the enclosed resolution on May 21, 2013, to levy the appropriate taxes for the payment of the 2013 Refunding Bonds and to direct the Auditor-Controller of the County to place these taxes on the tax roll every year according to a debt service schedule and instructions that will be provided upon the sale of the 2013 Refunding Bonds, currently scheduled to occur in May 2013.

debt service schedule and instructions that will be provided upon the sale of the 2013 Refunding Bonds, currently scheduled to occur in May 2013.

IT IS THEREFORE REQUESTED THAT:

The Board of Supervisors adopt the enclosed resolution (the "Resolution") on May 21, 2013. (Two originals are enclosed which have been approved as to form by County Counsel).

After the Board of Supervisors has taken action on this letter, the District requests that the Clerk of the Board of Supervisors furnish two (2) certified copies of the Resolution to:

Ann La Morena Rohlin  
Fulbright & Jaworski L.L.P.  
555 South Flower Street, 41<sup>st</sup> Floor  
Los Angeles, California 90071

and send one copy of the Resolution to each of the following:

LOS ANGELES COUNTY TREASURER AND TAX COLLECTOR  
ATTN: John Patterson  
500 West Temple Street, Room 432  
Los Angeles, CA 90012

LOS ANGELES COUNTY AUDITOR-CONTROLLER  
ATTN : Jackie Guevarra  
500 West Temple Street, Suite 603  
Los Angeles, CA 90012

LOS ANGELES COUNTY COUNSEL  
ATTN: Cammy Dupont  
648 Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Very truly yours,

MONTEBELLO UNIFIED SCHOOL DISTRICT

By: Cheryl A Plotkin  
Cheryl Plotkin, Assistant Superintendent  
Business Services

Enclosures

cc: Ann La Morena Rohlin

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, CALIFORNIA, AUTHORIZING THE LEVY OF TAXES FOR GENERAL OBLIGATION REFUNDING BONDS OF THE MONTEBELLO UNIFIED SCHOOL DISTRICT, DESIGNATING THE PAYING AGENT THEREFOR AND DIRECTING THE COUNTY AUDITOR-CONTROLLER TO MAINTAIN TAXES ON THE TAX ROLL**

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WHEREAS, a duly called election was held in the Montebello Unified School District, Los Angeles County, State of California (the "District"), on November 2, 2004, and thereafter canvassed pursuant to law (the "Election");

WHEREAS, at the Election, there was submitted to and approved by the requisite 55% vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum amount of \$98,000,000, payable from the levy of an *ad valorem* tax against the taxable property in the District; and

WHEREAS, the Board of Education of the District (the "District Board") has previously approved the issuance, among other series, of \$30,000,000 aggregate principal amount of the District's General Obligation Bonds, Election of 2004, Series 2005 (the "Prior Bonds"), of which \$24,160,000 aggregate principal amount are presently outstanding; and

WHEREAS, the District Board has now determined that conditions in the financial marketplace may become favorable for the refunding of all or a portion of the outstanding principal amount of the Prior Bonds, through the issuance of its General Obligation Refunding Bonds, Election of 2004, Series 2013A, in an aggregate principal amount not to exceed \$28,000,000 (the "2013 Refunding Bonds");

WHEREAS, pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act"), the District is authorized to issue refunding bonds to refund the Refunded Bonds; and

WHEREAS, a resolution adopted by the District Board on April 18, 2013 (the "Resolution") provided for the issuance of the 2013 Refunding Bonds and certain other matters;

WHEREAS, the Board of Supervisors of Los Angeles County, California (the "County Board") has been formally requested by the District in the Resolution to levy taxes in an amount sufficient to pay the principal of and interest on the 2013 Refunding Bonds when due and to direct the Auditor-Controller of the County to maintain on its tax roll, and all subsequent tax rolls, taxes sufficient to fulfill the requirements of the debt service schedule for the 2013 Refunding Bonds, that will be provided to the Auditor-Controller by the District following the sale of such 2013 Refunding Bonds;

WHEREAS, the District has requested that the County of Los Angeles Treasurer and Tax Collector (the "Treasurer") be appointed by the County Board to act as the authenticating agent,

bond registrar, transfer agent and payment agent (collectively, the "Paying Agent") for the 2013 Bonds pursuant to the Resolution;

**NOW THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:**

SECTION 1. Levy of Taxes. That this County Board levy taxes in an amount sufficient to pay the principal of and interest on the 2013 Refunding Bonds.

SECTION 2. Preparation of Tax Roll. That the Auditor-Controller of the County of Los Angeles is hereby directed to place and maintain on its tax roll, and all subsequent tax rolls, taxes in an amount sufficient to fulfill the requirements of the debt service schedule for the 2013 Refunding Bonds so long as they remain outstanding, which will be provided to the Auditor-Controller by the District following the sale of the 2013 Refunding Bonds.

SECTION 3. Paying Agent. That the Treasurer, or the Treasurer's third-party designee, act as Paying Agent for the 2013 Bonds. The Treasurer is authorized to contract with a third party to perform the services of Paying Agent.

SECTION 4. Effective Date. That this Resolution shall take effect immediately upon its passage.

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The foregoing resolution was, on the 21<sup>st</sup> day of May, 2013, adopted by the Board of Supervisors of the County of Los Angeles and *ex officio* the governing body of all other special assessment and taxing districts, agencies and authorities for which said County Board so acts.



SACHI A. HAMAI,  
Executive Officer-Clerk of the Board of  
Supervisors of the County of Los Angeles

By: \_\_\_\_\_

Deputy

APPROVED AS TO FORM:

JOHN F. KRATTLI,  
County Counsel

By: \_\_\_\_\_

Principal Deputy County Counsel

**RESOLUTION NO. 24(2012-13)**

**RESOLUTION OF THE BOARD OF EDUCATION OF THE MONTEBELLO UNIFIED SCHOOL DISTRICT AUTHORIZING THE ISSUANCE OF THE DISTRICT'S GENERAL OBLIGATION REFUNDING BONDS, ELECTION OF 2004, SERIES 2013A**

WHEREAS, a duly called election was held in the Montebello Unified School District, Los Angeles County, State of California (the "District"), on November 2, 2004, and thereafter canvassed pursuant to law (the "Election");

WHEREAS, at the Election, there was submitted to and approved by the requisite 55% vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum amount of \$98,000,000, payable from the levy of an *ad valorem* tax against the taxable property in the District;

WHEREAS, the Board of Education of the District (the "Governing Board") has previously approved the issuance, among other series, of \$30,000,000 aggregate principal amount of the District's General Obligation Bonds, Election of 2004, Series 2005 (the "Prior Bonds"), of which \$24,160,000 aggregate principal amount are presently outstanding;

WHEREAS, the Governing Board has now determined that conditions in the financial marketplace may become favorable for the refunding of all or a portion of the outstanding principal amount of the Prior Bonds, which Prior Bonds subject to refunding shall be referred to herein as the "Refunded Bonds";

WHEREAS, pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act"), the District is authorized to issue refunding bonds to refund the Refunded Bonds (the "2013 Refunding Bonds" or the "Bonds"); and

WHEREAS, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation refunding bonds of the District, and the indebtedness of the District, including this proposed issue of 2013 Refunding Bonds, is within all limits prescribed by law;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE MONTEBELLO UNIFIED SCHOOL DISTRICT, LOS ANGELES COUNTY, CALIFORNIA, AS FOLLOWS:

SECTION 1. Purpose. That to refund all or a portion of the outstanding Prior Bonds and to pay all necessary legal, financial, and contingent costs in connection therewith, the District authorizes the issuance of its General Obligation Refunding Bonds, Election of 2004, Series 2013A (the "2013 Refunding Bonds") in a principal amount not to exceed \$28,000,000. Additional costs authorized to be paid from the proceeds of the 2013 Refunding Bonds are all of the authorized costs of issuance set forth in Section 53550(e) and (f) and Section 53587 of the Act.

SECTION 2. Paying Agent. The Governing Board does hereby authorize the appointment of U.S. Bank National Association as the authenticating agent, bond registrar, transfer agent and paying agent (the "Paying Agent") for the 2013 Refunding Bonds on behalf of the District.

SECTION 3. Terms and Conditions of Sale. The 2013 Refunding Bonds shall be issued as current interest bonds and shall be sold at a negotiated sale. The 2013 Refunding Bonds shall be sold pursuant to the terms and conditions set forth in the Purchase Contract, as described below.

SECTION 4. Approval of Purchase Contract. The form of Purchase Contract (the "Purchase Contract") by and between the District and Cabrera Capital Markets, LLC (the "Underwriter"), for the purchase and sale of the 2013 Refunding Bonds, substantially in the form on file with the Clerk of the Governing Board, is hereby approved and the Superintendent of the District (the "Superintendent"), the Deputy Superintendent, the Assistant Superintendent, Business Services Division (the "Assistant Superintendent"), or any designee thereof (each, an "Authorized Officer"), are hereby authorized to execute and deliver such Purchase Contract, with such changes therein, deletions therefrom and modifications thereto as an Authorized Officer may approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the interest rate and maximum yield on the 2013 Refunding Bonds shall not exceed the maximum allowed by law, and that the Underwriter's discount, excluding original issue discount, thereon shall not exceed 0.8% of the aggregate of principal of 2013 Refunding Bonds issued. The Authorized Officer is further authorized to determine the principal or issue amount of the 2013 Refunding Bonds to be specified in the Purchase Contract for sale by the District up to \$28,000,000. The Governing Board does hereby direct that the 2013 Refunding Bonds be sold only upon terms that, in the judgment of the Authorized Officers, generate present value savings to the taxpayers of the District.

An Authorized Officer may, upon consultation with Bond Counsel, and in accordance with Section 17 below, purchase bond insurance to secure the payment when due of debt service on all or a portion of the 2013 Refunding Bonds. The Governing Board currently estimates that the costs of issuance of the 2013 Refunding Bonds (other than the Underwriter's discount described above and bond insurance, if purchased) will not exceed the sum of \$130,000.

SECTION 5. Certain Definitions. As used in this Resolution, the terms set forth below shall have the meanings ascribed to them (unless otherwise set forth in the Purchase Contract):

(a) "Act" means Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code.

(b) "Authorization" means the authorization received by the District to issue the Prior Bonds at the Election.

(c) "Bond Insurer" means any insurance company which issues a municipal bond insurance policy insuring the payment of the Principal of and interest on the 2013 Refunding Bonds.

(d) "Bond Payment Date" means (unless otherwise provided by the Purchase Contract), with respect to the Bonds, February 1 and August 1 of each year, commencing August 1, 2013 (unless otherwise provided in the Purchase Contract) with respect to the interest on the Bonds and August 1 of each year, commencing February 1, 2014 (unless otherwise provided in the Purchase Contract) with respect to the Principal of the Bonds.

(e) "Depository" means the securities depository acting as Depository pursuant to Section 6(c) hereof.

(f) "DTC" means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, in its capacity as securities depository for the 2013 Refunding Bonds.

(g) "Escrow Agent" means U.S. Bank National Association, in its capacity as escrow agent under the Escrow Agreement; or such other escrow agent as shall be named in connection with all or a portion of the Refunded Bonds.

(h) "Escrow Agreement" means the Escrow and Deposit Agreement relating to the Refunded Bonds, by and between the District and the Escrow Agent.

(i) "Federal Securities" means direct or indirect noncallable obligations of, or noncallable, nonprepayable obligations unconditionally guaranteed as to full and timely payment of principal and interest by, the United States of America, but excluding investments in mutual funds or unit investment trusts, or as otherwise permitted under Section 53635 of the Government Code of the State of California.

(j) "Information Services" means the Electronic Municipal Market Access System (referred to as "EMMA"), a facility of the Municipal Securities Rulemaking Board, at [www.emma.msrb.org](http://www.emma.msrb.org); provided, however, in accordance with the then current guidelines of the Securities and Exchange Commission, Information Services shall mean such other organization(s) providing information with respect to called 2013 Refunding Bonds as the District may designate in a Certificate of the District delivered to the Paying Agent.

(k) "Moody's" means Moody's Investors Service, its successors and assigns.

(l) "Nominee" means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 6(c) hereof.

(m) "Participants" means those broker-dealers, banks and other financial institutions from time to time for which the Depository holds book-entry certificates as securities depository.

(n) "Principal" or "Principal Amount" means, with respect to any 2013 Refunding Bond, the Principal or Principal Amount thereof.

(o) "Record Date" means the fifteenth (15th) day of the month preceding each Bond Payment Date.

(p) "S&P" means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, its successors and assigns.

(q) "Securities Depository" means The Depository Trust Company.

(r) "Term Bonds" means those 2013 Refunding Bonds for which mandatory redemption dates have been established in the Purchase Contract.

(s) "Transfer Amount" means, with respect to any Outstanding 2013 Refunding Bond, the Principal Amount.

(r) "Underwriter" means Cabrera Capital Markets, LLC.

#### SECTION 6. Terms of the 2013 Refunding Bonds.

(a) Denomination, Interest, Dated Dates. The 2013 Refunding Bonds shall be issued in fully registered form as to both Principal and interest, without coupons, in denominations of \$5,000 or any integral multiple thereof, except as otherwise provided in the Purchase Contract. The 2013 Refunding Bonds will be initially registered to "Cede & Co.," the nominee of the Depository Trust Company, New York, New York.

Each 2013 Refunding Bond shall be dated the date of its initial issuance or such other date as shall appear in the Purchase Contract or the Official Statement (the "Dated Date"), and shall bear interest at the rates as set forth in the Purchase Contract from the Bond Payment Date next preceding the date of authentication thereof unless it is authenticated as of a day during the period from the 15th day of the month preceding any Bond Payment Date to that Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before July 15, 2013, or such other date set forth in the Official Statement, in which event it shall bear interest from Dated Date. Such interest shall be calculated on the basis of a 360-day year of twelve 30-day months.

The 2013 Refunding Bonds shall bear interest at a rate or rates such that the maximum interest rate on the 2013 Refunding Bonds shall not exceed the maximum rate per annum permitted by law. Interest shall be payable on the respective Bond Payment Dates.

No 2013 Refunding Bonds shall mature later than August 1, 2030.

(b) Redemption.

(i) Terms of Redemption. The 2013 Refunding Bonds shall be subject to redemption prior to maturity as provided in the Purchase Contract.

(ii) Selection of 2013 Refunding Bonds for Redemption. Whenever provision is made in this Resolution for the redemption of 2013 Refunding Bonds and less than all Outstanding 2013 Refunding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District, shall select 2013 Refunding Bonds for redemption as so directed by the District and if not directed, in inverse order of maturity. Within a maturity, the Paying Agent shall select 2013 Refunding Bonds for redemption by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that the portion of any 2013 Refunding Bond to be redeemed in part shall be in the Principal Amount of \$5,000 or any integral multiple thereof.

(iii) Notice of Redemption. When redemption is authorized or required pursuant to this Resolution, the Paying Agent, upon written instruction from the District, shall give notice (a "Redemption Notice") of the redemption of the 2013 Refunding Bonds. Such Redemption Notice shall specify: (a) the 2013 Refunding Bonds or designated portions thereof (in the case of redemption of the 2013 Refunding Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the 2013 Refunding Bonds to be redeemed, (f) the bond numbers of the 2013 Refunding Bonds to be redeemed in whole or in part and, in the case of any 2013 Refunding Bond to be redeemed in part only, the Principal Amount of such 2013 Refunding Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each 2013 Refunding Bond to be redeemed in whole or in part. Such Redemption Notice shall further state that on the specified date there shall become due and payable upon each 2013 Refunding Bond or portion thereof being redeemed at the redemption price thereof, together with the interest accrued to the redemption date thereon, and that from and after such date, interest with respect thereto shall cease to accrue.

The Paying Agent shall take the following actions with respect to such Redemption Notice:

(1) At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of 2013 Refunding Bonds designated for redemption by registered or certified mail, postage prepaid, at their addresses appearing on the Bond Register.

(2) At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given by (i) registered or certified mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service to the Securities Depository.

(3) At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given by electronic means to the Information Services.

Neither failure to receive or failure to publish any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected 2013 Refunding Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming 2013 Refunding Bonds shall bear or include the CUSIP number identifying, by issue and maturity, the 2013 Refunding Bonds being redeemed with the proceeds of such check or other transfer.

The Paying Agent shall, at the direction of the District, issue a Redemption Notice on the foregoing terms that is conditioned upon the delivery of proceeds of refunding bonds or other funds lawfully available to pay the redemption price of the 2013 Refunding Bonds. Such a conditional Redemption Notice, if given, may be rescinded by the Paying Agent at the direction of the District at any time prior to the scheduled redemption date, whereupon the Redemption Notice shall be deemed null and void.

(iv) Partial Redemption of 2013 Refunding Bonds. Upon the surrender of any 2013 Refunding Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new 2013 Refunding Bond or 2013 Refunding Bonds of like tenor and maturity and of authorized denominations equal in Transfer Amounts to the unredeemed portion of the Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

(v) Effect of Notice of Redemption. Notice having been given as aforesaid, and the moneys for the redemption (including the interest accrued to the applicable date of redemption) having been set aside in the District's Debt Service Account (as defined herein), the 2013 Refunding Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the 2013 Refunding Bonds to be redeemed as provided in Section 6(b)(i) hereof, together with interest accrued to such redemption date, shall be held by the Paying Agent so as to be available therefor on such redemption date, and if notice of redemption thereof shall have been given as aforesaid, then from and after such redemption date, interest with respect to the 2013 Refunding Bonds to be redeemed shall cease to accrue and become payable. All money held by or on behalf of the Paying Agent for the redemption of 2013 Refunding Bonds shall be held in trust for the account of the Owners of the 2013 Refunding Bonds so to be redeemed.

All 2013 Refunding Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section 6 shall be cancelled upon surrender thereof and be delivered to or upon the order of the District. All or any portion of a 2013 Refunding Bond purchased by the District shall be cancelled by the Paying Agent.

(vi) 2013 Refunding Bonds No Longer Outstanding. When any 2013 Refunding Bonds (or portions thereof) which have been duly called for redemption prior

to maturity under the provisions of this Resolution, or with respect to which irrevocable instructions to call for redemption prior to maturity at the earliest redemption date have been given to the Paying Agent, in form satisfactory to it, and sufficient moneys shall be held by the Paying Agent irrevocably in trust for the payment of the redemption price of such 2013 Refunding Bonds or portions thereof, and, accrued interest with respect thereto to the date fixed for redemption, all as provided in this Resolution, then such 2013 Refunding Bonds shall no longer be deemed Outstanding and shall be surrendered to the Paying Agent for cancellation.

(c) Book-Entry System.

(i) Election of Book-Entry System. The 2013 Refunding Bonds shall initially be delivered in fully-registered form (which may be typewritten), numbered from one upwards in consecutive numerical order (with such alphabetical prefix as shall be determined) in an authorized denomination. The ownership of each such 2013 Refunding Bond shall be registered in the Bond Register (as defined below) in the name of the Nominee, as nominee of the Depository and ownership of the 2013 Refunding Bonds, or any portion thereof may not thereafter be transferred except as provided in Section 6(c)(i)(4).

The District and the Paying Agent shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds an interest in such the 2013 Refunding Bonds. Without limiting the immediately preceding sentence, the District and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee, or any Participant with respect to any ownership interest in the 2013 Refunding Bonds, (ii) the delivery to any Participant or any other person, other than an Owner as shown in the Bond Register, of any notice with respect to the 2013 Refunding Bonds, including any notice of redemption, (iii) the selection by the Depository and its Participants of the beneficial interests in the 2013 Refunding Bonds to be prepaid in the event the District redeems the 2013 Refunding Bonds in part, or (iv) the payment by the Depository or any Participant or any other person, of any amount with respect to Principal, premium, if any, or interest on the 2013 Refunding Bonds. The District and the Paying Agent may treat and consider the person in whose name each the 2013 Refunding Bond is registered in the Bond Register as the absolute owner (the "Registered Owner" or "Owner") of such the 2013 Refunding Bond for the purpose of payment of Principal of and premium and interest on and to such 2013 Refunding Bond, for the purpose of giving notices of redemption and other matters with respect to such 2013 Refunding Bond, for the purpose of registering transfers with respect to such 2013 Refunding Bond, and for all other purposes whatsoever. The Paying Agent shall pay all Principal of and premium, if any, and interest on the 2013 Refunding Bonds only to or upon the order of the respective Owner, as shown in the Bond Register, or his respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of Principal of, and premium, if any, and interest on the 2013 Refunding Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, shall receive a certificate evidencing the obligation to make payments of Principal of, and premium, if any, and interest on the 2013 Refunding Bonds. Upon delivery by the Depository to the Owner and the Paying Agent, of written notice to the effect that the Depository has determined to substitute a new nominee in

place of the Nominee, and subject to the provisions herein with respect to the Record Date, the word "Nominee" in this Resolution shall refer to such nominee of the Depository.

1. Delivery of Letter of Representations. In order to qualify the 2013 Refunding Bonds for the Depository's book-entry system, the District shall execute and deliver to the Depository a Letter of Representations. The execution and delivery of a Letter of Representations shall not in any way impose upon the District or the Paying Agent any obligation whatsoever with respect to persons having interests in the 2013 Refunding Bonds other than the Owners, as shown on the Bond Register. The Paying Agent hereby agrees to take all action necessary at all times so that the District will be in compliance with all representations of the District in such Letter of Representations. In addition to the execution and delivery of a Letter of Representations, the District and the Paying Agent shall take such other actions, not inconsistent with this Resolution, as are reasonably necessary to qualify the 2013 Refunding Bonds for the Depository's book-entry program.

2. Selection of Depository. If (i) the Depository determines not to continue to act as securities depository for the 2013 Refunding Bonds, or (ii) the District determines that continuation of the book-entry system is not in the best interest of the beneficial owners of the 2013 Refunding Bonds or the District, then the District will discontinue the book-entry system with the Depository. If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or direct the preparation of a new single, separate, fully registered bond for each maturity date of such the 2013 Refunding Bond, registered in the name of such successor or substitute qualified securities depository or its Nominee as provided in subsection (4) hereof. If the District fails to identify another qualified securities depository to replace the Depository, then the 2013 Refunding Bonds shall no longer be restricted to being registered in such Bond Register in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging such 2013 Refunding Bonds shall designate, in accordance with the provisions of this Section.

3. Payments to Depository. Notwithstanding any other provision of this Resolution to the contrary, so long as all outstanding 2013 Refunding Bonds are held in book-entry and registered in the name of the Nominee, all payments by the District or the Paying Agent with respect to Principal of and premium, if any, or interest on the 2013 Refunding Bonds and all notices with respect to such 2013 Refunding Bonds shall be made and given, respectively to the Nominee, as provided in the Letter of Representations or as otherwise instructed by the Depository and agreed to by the Paying Agent notwithstanding any inconsistent provisions herein.

4. Transfer of 2013 Refunding Bonds to Substitute Depository.

(A) The 2013 Refunding Bonds shall be initially issued as described in this Resolution and the Official Statement. Registered ownership of such 2013 Refunding Bonds, or any portions thereof, may not thereafter be transferred except:

(1) to any successor of DTC or its Nominee, or of any substitute depository designated pursuant to Section 6(c)(i)(4)(A)(2) ("Substitute Depository"); provided that any successor of DTC or Substitute Depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(2) to any Substitute Depository, upon (1) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (2) a determination by the District that DTC (or its successor) is no longer able to carry out its functions as depository; provided that any such Substitute Depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(3) to any person as provided below, upon (1) the resignation of DTC or its successor (or any Substitute Depository or its successor) from its functions as depository, or (2) a determination by the District that DTC or its successor (or Substitute Depository or its successor) is no longer able to carry out its functions as depository.

(B) In the case of any transfer pursuant to Section 6(c)(i)(4)(A)(1) or (2), upon receipt of all outstanding 2013 Refunding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent designating the Substitute Depository, a single new Bond, which the District shall prepare or cause to be prepared, shall be executed and delivered for each maturity of 2013 Refunding Bonds then outstanding, registered in the name of such successor or such Substitute Depository or their Nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to Section 6(c)(i)(4)(A)(3), upon receipt of all outstanding 2013 Refunding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, new 2013 Refunding Bonds, which the District shall prepare or cause to be prepared, shall be executed and delivered in such denominations and registered in the names of such persons as are requested in such written request of the District, provided that the Paying Agent shall not be required to deliver such new 2013 Refunding Bonds within a period of less than sixty (60) days from the date of receipt of such written request from the District.

(C) In the case of a partial redemption of any 2013 Refunding Bonds evidencing a portion of the Principal maturing in a particular year, DTC or its successor (or any Substitute Depository or its successor) shall make an appropriate notation on such 2013 Refunding Bonds indicating the date and amounts of such reduction in Principal, in form acceptable to the Paying Agent, all in accordance with the Letter of Representations. The Paying Agent shall not be liable for such Depository's failure to make such notations or errors in making such notations.

(D) The District and the Paying Agent shall be entitled to treat the person in whose name any Bond is registered as the Owner thereof for all purposes of this Resolution and any applicable laws, notwithstanding any notice to the contrary received by the Paying Agent or the District; and the District and the Paying Agent shall not have responsibility for transmitting payments to, communicating with, notifying, or otherwise

dealing with any beneficial owners of the 2013 Refunding Bonds. Neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to any such beneficial owners or to any other party, including DTC or its successor (or Substitute Depository or its successor), except to the Owner of any 2013 Refunding Bonds, and the Paying Agent may rely conclusively on its records as to the identity of the Owners of the 2013 Refunding Bonds.

SECTION 7. Execution of 2013 Refunding Bonds. The 2013 Refunding Bonds shall be signed by the President of the Governing Board, by his or her manual or facsimile signature and countersigned by the manual or facsimile signature of and may be embossed or printed with the seal or facsimile seal of the District affixed thereto by the Clerk of the Governing Board, all in their official capacities. No 2013 Refunding Bond shall be valid or obligatory for any purpose or shall be entitled to any security or benefit under this Resolution unless and until the certificate of authentication printed on the 2013 Refunding Bond is signed by the Paying Agent as authenticating agent. Authentication by the Paying Agent shall be conclusive evidence that the 2013 Refunding Bond so authenticated has been duly issued, signed and delivered under this Resolution and is entitled to the security and benefit of this Resolution.

SECTION 8. Bond Registrar; Transfer and Exchange. The Governing Board does hereby appoint U.S. Bank National Association to act as the authenticating agent, Bond Registrar, transfer agent and Paying Agent for the 2013 Refunding Bonds.

So long as any of the 2013 Refunding Bonds remain Outstanding, the District will cause the Paying Agent to maintain and keep at its principal office all books and records necessary for the registration, exchange and transfer of the 2013 Refunding Bonds as provided in this Section. Subject to the provisions of Section 9 below, the person in whose name a 2013 Refunding Bond is registered on the Bond Register shall be regarded as the absolute Owner of that 2013 Refunding Bond for all purposes of this Resolution. Payment of or on account of the Principal of and premium, if any, and interest on any 2013 Refunding Bond shall be made only to or upon the order of that person; neither the District nor the Paying Agent shall be affected by any notice to the contrary, but the registration may be changed as provided in this Section. All such payments shall be valid and effectual to satisfy and discharge the District's liability upon the 2013 Refunding Bonds, including interest, to the extent of the amount or amounts so paid.

Any 2013 Refunding Bond may be exchanged for 2013 Refunding Bonds of like tenor, maturity and Transfer Amount upon presentation and surrender at the principal office of the Paying Agent, together with a request for exchange signed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. A 2013 Refunding Bond may be transferred on the Bond Register only upon presentation and surrender of the 2013 Refunding Bond at the principal office of the Paying Agent together with an assignment executed by the Owner or by a person legally empowered to do so in a form satisfactory to the Paying Agent. Upon exchange or transfer, the Paying Agent shall complete, authenticate and deliver a new 2013 Refunding Bond or 2013 Refunding Bonds of like tenor and of any authorized denomination or denominations requested by the Owner equal to the Transfer Amount of the 2013 Refunding Bond surrendered and bearing or accruing interest at the same rate and maturing on the same date.

If any 2013 Refunding Bond shall become mutilated, the District, at the expense of the Owner of said 2013 Refunding Bond, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new 2013 Refunding Bond of like series, tenor and Transfer Amount in exchange and substitution for the 2013 Refunding Bond so mutilated, but only upon surrender to the Paying Agent of the 2013 Refunding Bond so mutilated. If any 2013 Refunding Bond issued hereunder shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Paying Agent and, if such evidence is satisfactory to the Paying Agent and indemnity for the Paying Agent and the District satisfactory to the Paying Agent shall be given by the Owner, the District, at the expense of the 2013 Refunding Bond Owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new 2013 Refunding Bond of like tenor in lieu of and in substitution for the 2013 Refunding Bond so lost, destroyed or stolen (or if any such 2013 Refunding Bond shall have matured or shall have been called for redemption, instead of issuing a substitute 2013 Refunding Bond the Paying Agent may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Paying Agent and the District). The Paying Agent may require payment of a reasonable fee for each new 2013 Refunding Bond issued under this paragraph and of the expenses which may be incurred by the District and the Paying Agent.

If manual signatures on behalf of the District are required in connection with an exchange or transfer, the Paying Agent shall undertake the exchange or transfer of 2013 Refunding Bonds only after the new 2013 Refunding Bonds are signed by the authorized officers of the District. In all cases of exchanged or transferred 2013 Refunding Bonds, the District shall sign and the Paying Agent shall authenticate and deliver 2013 Refunding Bonds in accordance with the provisions of this Resolution. All fees and costs of transfer shall be paid by the requesting party. Those charges may be required to be paid before the procedure is begun for the exchange or transfer. All 2013 Refunding Bonds issued upon any exchange or transfer shall be valid obligations of the District, evidencing the same debt, and entitled to the same security and benefit under this Resolution as the 2013 Refunding Bonds surrendered upon that exchange or transfer.

Any 2013 Refunding Bond surrendered to the Paying Agent for payment, retirement, exchange, replacement or transfer shall be cancelled by the Paying Agent. The District may at any time deliver to the Paying Agent for cancellation any previously authenticated and delivered 2013 Refunding Bonds that the District may have acquired in any manner whatsoever, and those 2013 Refunding Bonds shall be promptly cancelled by the Paying Agent. Written reports of the surrender and cancellation of 2013 Refunding Bonds shall be made to the District by the Paying Agent on or before January 15 and July 15 of each year. The cancelled 2013 Refunding Bonds shall be retained for six years, then returned to the District or destroyed by the Paying Agent as directed by the District.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any 2013 Refunding Bonds during a period beginning with the opening of business on the 15th business day next preceding either any Bond Payment Date or any date of selection of 2013 Refunding Bonds to be redeemed and ending with the close of business on the Bond Payment Date or any day on which the applicable notice of redemption is given or (b) to transfer any 2013 Refunding Bonds which have been selected or called for redemption in whole or in part.

SECTION 9. Payment. Payment of interest on any 2013 Refunding Bond on any Bond Payment Date shall be made to the person appearing on the registration books of the Paying Agent as the Owner thereof as of the Record Date immediately preceding such Bond Payment Date, such interest to be paid by check mailed to such Owner on the Bond Payment Date at his address as it appears on such registration books or at such other address as he may have filed with the Paying Agent for that purpose on or before the Record Date. The Owner in an aggregate Principal Amount of \$1,000,000 or more may request in writing to the Paying Agent that such Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date. The Principal, and redemption price, if any, payable on the 2013 Refunding Bonds shall be payable upon maturity or redemption upon surrender at the principal office of the Paying Agent. The interest, Principal and premiums, if any, on the 2013 Refunding Bonds shall be payable in lawful money of the United States of America. The Paying Agent is hereby authorized to pay the 2013 Refunding Bonds when duly presented for payment at maturity, and to cancel all 2013 Refunding Bonds upon payment thereof. The 2013 Refunding Bonds are general obligations of the District, payable without limit as to rate or amount from the levy of *ad valorem* property taxes upon all property subject to taxation within the District.

SECTION 10. Forms of 2013 Refunding Bonds. The 2013 Refunding Bonds shall be in substantially the following form, allowing those officials executing the 2013 Refunding Bonds to make the insertions and deletions necessary to conform the 2013 Refunding Bonds to this Resolution, the Purchase Contract, and the Official Statement.

*[Remainder of page intentionally left blank.]*

(Form of 2013 Refunding Bond)

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE RESOLUTION) TO THE BOND REGISTRAR FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

UNITED STATES OF AMERICA

STATE OF CALIFORNIA

REGISTERED  
NO.

REGISTERED  
\$

MONTEBELLO UNIFIED SCHOOL DISTRICT  
(LOS ANGELES COUNTY, CALIFORNIA)  
GENERAL OBLIGATION REFUNDING BONDS  
ELECTION OF 2004, SERIES 2013A

INTEREST RATE:  
\_\_\_% per annum

MATURITY DATE:  
August 1, 20\_\_

DATED DATE:  
Delivery Date

CUSIP

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The Montebello Unified School District (the "District") in Los Angeles County, California (the "County"), for value received, promises to pay to the Registered Owner named above or registered assigns, the Principal Amount on the Maturity Date, each as stated above, and interest thereon until the Principal Amount is paid or provided for at the Interest Rate stated above on February 1 and August 1 of each year (the "Bond Payment Dates"), commencing February 1, 2014. This bond will bear interest from the Bond Payment Date next preceding the date of authentication hereof unless it is authenticated as of a day during the period from the 15th day of the month next preceding any Bond Payment Date to the Bond Payment Date, inclusive, in which event it shall bear interest from such Bond Payment Date, or unless it is authenticated on or before January 15, 2014, in which event it shall bear interest from the Date of Delivery. Principal and interest are payable in lawful money of the United States of America, without deduction for paying agent services, to the person in whose name this bond (or, if applicable, one or more predecessor bonds) is registered (the "Registered Owner") on the Register maintained by U.S. Bank National Association, as Paying Agent (the "Paying Agent"). Principal is payable upon presentation and surrender of this bond at the principal office of the Paying Agent in Los Angeles, California. Interest is payable by check or draft mailed by the Paying Agent on each

Bond Payment Date to the Registered Owner of this bond (or one or more predecessor bonds) as shown and at the address appearing on the Register at the close of business on the 15th day of the calendar month next preceding that Bond Payment Date (the "Record Date"). Such interest shall be calculated on the basis of a 360-day year of twelve 30-day months. The Owner of 2013 Refunding Bonds in the aggregate principal amount of \$1,000,000 or more may request in writing to the Paying Agent that the Owner be paid interest by wire transfer to the bank and account number on file with the Paying Agent as of the Record Date.

It is certified and recited that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the bonds in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that payment in full for the bonds has been received; that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the bonds; and that due provision has been made for levying and collecting *ad valorem* property taxes on all of the taxable property within the District in an amount sufficient to pay principal and interest when due, and for levying and collecting such taxes the full faith and credit of the District are hereby pledged.

This bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution (described below) until the Certificate of Authentication below has been signed.

This bond is one of an authorization of bonds issued by the District pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the "Act") for the purpose of refunding certain of the outstanding bonds of the Montebello Unified School District designated as its General Obligation Refunding Bonds, Election of 2004, Series 2013A and to pay all necessary legal, financial, and contingent costs in connection therewith. The bonds are being issued under authority of and pursuant to the Act, the laws of the State of California, and the resolution of the Board of Education of the District adopted on [April 18], 2013 (the "Bond Resolution"). This bond and the issue of which this bond is one are payable as to both principal and interest from the proceeds of the levy of *ad valorem* taxes on all property subject to such taxes in the District, which taxes are unlimited as to rate or amount. The bonds of this issue are general obligations of the District.

The bonds of this issue are comprised of \$ \_\_\_\_\_ principal amount of 2013 Refunding Bonds.

This bond is exchangeable and transferable for bonds of like tenor, maturity and Transfer Amount (as defined in the Bond Resolution) and in authorized denominations at the principal office of the Paying Agent in Los Angeles, California, by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Bond Resolution. All fees and costs of transfer shall be paid by the transferor. The District and the Paying Agent may deem and treat the Registered Owner as the absolute Owner of this bond for the purpose of receiving payment of or

on account of principal or interest and for all other purposes, and neither the District nor the Paying Agent shall be affected by any notice to the contrary.

Neither the District nor the Paying Agent will be required (a) to issue or transfer any bond during a period beginning with the opening of business on the 15th business day next preceding either any Bond Payment Date or any date of selection of bonds to be redeemed and ending with the close of business on the Bond Payment Date or day on which the applicable notice of redemption is given or (b) to transfer any bond which has been selected or called for redemption in whole or in part.

The 2013 Refunding Bonds maturing on or before August 1, 20\_\_ are not subject to redemption prior to their fixed maturity dates. The 2013 Refunding Bonds maturing on or after August 1, 20\_\_ are subject to redemption on or after August 1, 20\_\_ at the option of the District as a whole or in part, on any date, at the Principal Amount of the 2013 Refunding Bonds to be redeemed plus interest accrued thereon to the date fixed for redemption.

The 2013 Refunding Bonds maturing on August 1, 20\_\_ are subject to mandatory sinking fund redemption from moneys in the Debt Service Account prior to their stated maturity date, at the Principal Amount thereof without premium on each August 1, on and after August 1, 20\_\_, in the Principal Amounts as set forth in the following table:

<u>Redemption Dates</u>	<u>Principal Amounts</u>
August 1, 20__	
August 1, 20__	
TOTAL	\$

If less than all of the bonds of any one maturity shall be called for redemption, the Paying Agent, upon written instruction from the District, shall select 2013 Refunding Bonds for redemption as so directed by the District and if not directed, in inverse order of maturity. Within a maturity, the Paying Agent shall select 2013 Refunding Bonds for redemption by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that the portion of any 2013 Refunding Bond to be redeemed in part shall be in the Principal Amount of \$5,000 or any integral multiple thereof.

Reference is made to the Bond Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the bonds of this series, the rights, duties and obligations of the District, the Paying Agent and the Registered Owners, and the terms and conditions upon which the bonds are issued and secured. The Registered Owner of this bond assents, by acceptance hereof, to all of the provisions of the Bond Resolution.

IN WITNESS WHEREOF, the Montebello Unified School District, Los Angeles County, California, has caused this bond to be executed on behalf of the District and in their official capacities by the manual or facsimile signature of the President of the Board of Education and to be countersigned by the manual or facsimile signature of the Clerk of the Board of Education, all as of the date stated above.

MONTEBELLO UNIFIED SCHOOL DISTRICT

By: \_\_\_\_\_ [form document]  
President, Board of Education

COUNTERSIGNED:

By: \_\_\_\_\_ [form document]  
Clerk, Board of Education

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the Bond Resolution referred to herein which has been authenticated and registered on \_\_\_\_\_, 2013.

U.S. BANK NATIONAL ASSOCIATION, as  
Paying Agent

By \_\_\_\_\_ [form document]  
\_\_\_\_\_

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and zip code of Transferee): \_\_\_\_\_ this bond and irrevocably constitutes and appoints attorney to transfer this bond on the books for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the within bond in every particular, without alteration or any change whatever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: \_\_\_\_\_

Unless this bond is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any bond issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

SECTION 11. Delivery of 2013 Refunding Bonds. The proper officials of the District shall cause the 2013 Refunding Bonds to be prepared and, following their sale, shall have the 2013 Refunding Bonds signed and delivered, together with a true transcript of proceedings with reference to the issuance of the 2013 Refunding Bonds, to the original purchaser upon payment of the purchase price therefor.

SECTION 12. Deposit of Proceeds of 2013 Refunding Bonds. Certain net proceeds from the sale of the 2013 Refunding Bonds shall be transferred to the Escrow Agent for deposit into the Escrow Fund established under the Escrow Agreement, which amount shall be sufficient to purchase the Federal Securities and hold uninvested an amount or amounts of cash needed to pay the Refunded Bonds in accordance with their terms, all as set forth in the Escrow Agreement. Proceeds of the sale of the 2013 Refunding Bonds required to pay all or a portion of the costs of issuing the 2013 Refunding Bonds may be deposited in the fund of the District known as the "Montebello Unified School District 2013 General Obligation Refunding Bonds Cost of Issuance Fund" (the "Cost of Issuance Fund") established with the Paying Agent and shall be kept separate and distinct from all other District funds, and those proceeds shall be used solely for the purpose of paying costs of issuance of the 2013 Refunding Bonds.

Any accrued interest received by the District from the sale of the 2013 Refunding Bonds shall be kept separate and apart in the account hereby created and established as a subaccount in the Debt Service Fund of the District previously established with the Treasurer and to be designated as the "Montebello Unified School District 2013 General Obligation Refunding Bonds Debt Service Account" (the "Debt Service Account") and used only for payments of Principal of and interest on the 2013 Refunding Bonds. Any excess proceeds of the 2013 Refunding Bonds not needed for the authorized purposes set forth herein for which the 2013 Refunding Bonds are being issued shall be transferred to the Debt Service Account and applied to the payment of the Principal of and interest on the 2013 Refunding Bonds. If, after payment in full of the 2013 Refunding Bonds, there remain excess proceeds, any such excess amounts shall be transferred to the general fund of the District. Notwithstanding any of the foregoing, the provisions of this Section as they relate to the dispersal and allocation of moneys on deposit in the Debt Service Account may be amended by the Purchase Contract and Official Statement so long as the transactions contemplated by such amendment are in compliance with the provisions of the Act.

Except as required below to satisfy the requirements of Section 148(f) of the Internal Revenue Code of 1986, as amended (the "Code"), interest earned on the investment of monies held in the Debt Service Account shall be retained therein and used to pay Principal of and interest on the 2013 Refunding Bonds when due.

SECTION 13. Security for the 2013 Refunding Bonds. There shall be levied on all the taxable property in the District, in addition to all other taxes, a continuing direct *ad valorem* tax annually during the period the 2013 Refunding Bonds are outstanding in an amount sufficient to pay the Principal of and interest on the 2013 Refunding Bonds when due, which moneys when collected will be placed in the Debt Service Account of the District, which fund is irrevocably pledged for the payment of the Principal of and interest on the 2013 Refunding Bonds when and

as the same fall due. The District covenants to cause the Los Angeles County, California (the "County") to take all actions necessary to levy such *ad valorem* tax in accordance with this Section 13 and Section 53559 of the Act.

The moneys in the Debt Service Account, to the extent necessary to pay the Principal of and interest on the 2013 Refunding Bonds as the same become due and payable, shall be transferred by the Treasurer to the Paying Agent which, in turn, shall pay such moneys to DTC to pay the Principal of and interest on the 2013 Refunding Bonds. DTC will thereupon make payments of Principal of and interest on the 2013 Refunding Bonds to the DTC Participants who will thereupon make payments of Principal of and interest to the beneficial owners of the 2013 Refunding Bonds. Any moneys remaining in the Debt Service Account after all of the 2013 Refunding Bonds and the interest thereon have been paid, or provision for such payment has been made, shall be transferred to the general fund of the District.

SECTION 14. Arbitrage Covenants. The District hereby covenants that it shall not, directly or indirectly, use or permit the use of any proceeds of any of the 2013 Refunding Bonds, or of any of the property financed or refinanced with the proceeds of the 2013 Refunding Bonds, or other funds of the District, or take or omit to take any action that would cause the 2013 Refunding Bonds to be deemed "arbitrage bonds" within the meaning of Section 148 of the Code. To that end, the District shall comply with all requirements of Section 148 of the Code and all regulations of the United States Department of the Treasury promulgated thereunder to the extent that such requirements are in effect and applicable to the 2013 Refunding Bonds.

The District covenants to comply with all the procedures and provisions set forth in the Tax Exemption Certificate, and will do and perform all acts and things necessary in order to assure that interest paid on the 2013 Refunding Bonds shall be excluded from gross income of the owners thereof for purposes of federal income taxation.

SECTION 15. Legislative Determinations. The Governing Board determines that all acts and conditions necessary to be performed by the Governing Board or to have been met precedent to and in the issuing of the 2013 Refunding Bonds in order to make them legal, valid and binding general obligations of the District have been performed and have been met, or will at the time of delivery of the 2013 Refunding Bonds have been performed and have been met, in regular and due form as required by law; that the full faith and credit of the District are pledged for the timely payment of the Principal of and interest on the 2013 Refunding Bonds; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the 2013 Refunding Bonds. Furthermore, the Governing Board finds and determines pursuant to Section 53552 of the Act that the prudent management of the fiscal affairs of the District requires that it issue the 2013 Refunding Bonds without submitting the question of the issuance of the 2013 Refunding Bonds to a vote of the qualified electors of the District.

SECTION 16. Official Statement. The Governing Board hereby approves in substantially final form the Preliminary Official Statement relating to the 2013 Refunding Bonds, submitted to and considered by this Governing Board (the "Preliminary Official Statement") and following pricing, an Official Statement in connection with the sale of the Bonds (the "Official Statement"), in each case with such changes as may be approved by an Authorized Officer, and the Authorized Officers and such other officers of the District as may be authorized by the

Governing Board are, and each of them acting alone hereby is, authorized to deliver copies of the Preliminary Official Statement and the Official Statement with such changes therein as such officer shall approve, in his or her discretion, as being in the best interests of the District. An Authorized officer is hereby authorized to deem the Preliminary Official Statement "final" as of its date, except for the omission of certain information as provided in and pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the "Rule"), prior to its distribution by the Underwriter. The Authorized Officers, each alone, are hereby authorized and directed to execute such Official Statement with such changes therein, deletions therefrom and modifications thereto as such Authorized Officer may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Final Official Statement, when prepared, is approved for distribution in connection with the 2013 Refunding Bonds.

SECTION 17. Insurance. In the event the District purchases bond insurance for the 2013 Refunding Bonds, and to the extent that the Bond Insurer makes payment of the Principal, interest of the 2013 Refunding Bonds, it shall become the Owner of such 2013 Refunding Bonds with the right to payment of Principal of or interest on the 2013 Refunding Bonds, and shall be fully subrogated to all of the Owners' rights, including the Owners' rights to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims that were past due interest components, the Paying Agent shall note the Bond Insurer's rights as subrogee on the registration books for the 2013 Refunding Bonds maintained by the Paying Agent upon receipt of a copy of the cancelled check issued by the Bond Insurer for the payment of such interest to the Owners of the 2013 Refunding Bonds, and (ii) in the case of subrogation as to claims for past due Principal, the Paying Agent shall note the Bond Insurer as subrogee on the registration books for the 2013 Refunding Bonds maintained by the Paying Agent upon surrender of the 2013 Refunding Bonds by the Owners thereof to the Bond Insurer or the insurance trustee for the Bond Insurer.

SECTION 18. Defeasance. All or any portion of the outstanding maturities of the 2013 Refunding Bonds may be defeased prior to maturity in the following ways:

(a) Cash: by irrevocably depositing with an independent escrow agent selected by the District an amount of cash which together with amounts then on deposit in the Debt Service Fund is sufficient to pay all 2013 Refunding Bonds outstanding and designated for defeasance, including all Principal and interest and premium, if any; or

(b) United States Obligations: by irrevocably depositing with an independent escrow agent selected by the District noncallable United States Obligations, together with cash, if required, in such amount as will, in the opinion of an independent certified public accountant, together with interest to accrue thereon and moneys then on deposit in the Debt Service Account together with the interest to accrue thereon, be fully sufficient to pay and discharge all 2013 Refunding Bonds outstanding and designated for defeasance (including all Principal and interest represented thereby and prepayment premiums, if any) at or before their maturity date;

then, notwithstanding that any of such 2013 Refunding Bonds shall not have been surrendered for payment, all obligations of the District with respect to all such designated outstanding 2013 Refunding Bonds shall cease and terminate, except only the obligation of the Paying Agent or an independent escrow agent selected by the District to pay or cause to be paid from funds

deposited pursuant to paragraphs (a) or (b) of this Section, to the Owners of such designated 2013 Refunding Bonds not so surrendered and paid all sums due with respect thereto.

For purposes of this Section, "United States Obligations" shall mean:

Direct and general obligations of the United States of America, or obligations that are unconditionally guaranteed as to principal and interest by the United States of America, including (in the case of direct and general obligations of the United States of America) evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations. Investments in such proportionate interests must be limited to circumstances wherein (a) a bank or trust company acts as custodian and holds the underlying United States obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (c) the underlying United States obligations are held in a special account, segregated from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; provided that such obligations are rated or assessed in the highest or second highest rating category by S&P or by Moody's.

**SECTION 19. Other Actions, Determinations and Approvals.**

(a) Officers of the Governing Board, District officials and staff are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the 2013 Refunding Bonds and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

(b) The Governing Board hereby finds and determines that the total net interest cost to maturity on the 2013 Refunding Bonds plus the Principal Amount of the 2013 Refunding Bonds will be less than the total net interest cost to maturity on the Refunded Bonds plus the Principal Amount of the Refunded Bonds.

(c) The Governing Board anticipates that the Refunded Bonds will be refunded, if at all, in accordance with their terms on their respective first available optional call dates or defeased to their maturity dates, as market conditions permit.

(d) The Governing Board hereby appoints U.S. Bank National Association, as the Escrow Agent for the Refunded Bonds and approves the form of Escrow Agreement on file with the Clerk of the Governing Board. Any Authorized Officer is authorized to execute the Escrow Agreement substantially in said form, or such other escrow agreement as shall be advisable to accomplish the purposes of this Resolution, with respect to all or a portion of the Refunded Bonds, with such changes as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by his or her execution and delivery thereof.

(e) The Governing Board hereby confirms the appointment of Cabrera Capital Markets, LLC, as the underwriter for the 2013 Refunding Bonds, Wolf & Company Inc., as Financial Advisor to the District and confirms Fulbright & Jaworski L.L.P., Los Angeles,

California, as bond and disclosure counsel with respect to the issuance of the 2013 Refunding Bonds, pursuant to letter agreements with such firms.

(f) The provisions of this Resolution as they relate to the terms of the 2013 Refunding Bonds may be amended by the Purchase Contract and the Official Statement.

SECTION 20. Delivery of Materials to County. The Clerk of the Governing Board is hereby directed to provide a certified copy of this Resolution, together with a revised debt service schedule pertaining to the 2013 Refunding Bonds to the Treasurer, promptly following sale of the 2013 Refunding Bonds, if any.

SECTION 21. Request to Levy and Collect Ad Valorem Taxes. The Governing Board hereby requests the County Board of Supervisors to take and authorize such actions as may be necessary pursuant to law to provide for the levy and collection of *ad valorem* taxes on all taxable property of the District sufficient to pay the principal of and interest on the 2013 Refunding Bonds as same shall become due and payable.

SECTION 22. Continuing Disclosure. The form, terms, and provisions of the Continuing Disclosure Certificate, substantially in the form appended to the Preliminary Official Statement, are hereby approved, and an Authorized Officer is hereby authorized and directed on behalf of the Governing Board and in its name to execute and deliver same to the Dissemination Agent, with such changes therein as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution thereof. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of that certain Continuing Disclosure Certificate, as originally executed and as it may be amended from time to time in accordance with the terms thereof. Any Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section. Noncompliance with this Section shall not result in acceleration of the 2013 Refunding Bonds.

SECTION 23. Recitals. All the recitals in this Resolution above are true and correct and this Governing Board so finds, determines and represents.

*[Remainder of page intentionally left blank.]*

SECTION 24. April 18, 2013. This Resolution shall take effect immediately upon its adoption.

IN WITNESS WHEREOF, we have here unto set our hands this 18th day of April, 2013.

NOW THEREFORE, Be It Resolved That the Board of Education of the Montebello Unified School Authorizes The Issuance Of The District's General Obligation Refunding Bonds, Election Of 2004, Series 2013a.

ADOPTED this 18<sup>th</sup> day of April, 2013 by the following vote:

AYES: 4

NOES: 0

ABSENT OR NOT VOTING: 1

By: Hector Chacon

Hector A. Chacon  
President  
Board of Education  
Montebello Unified School District

ATTEST: Cleve A. Pell

Susanna Contreras Smith  
Cleve A. Pell  
Susanna Contreras Smith  
Superintendent of Schools  
Secretary to the Board of Education

By: Gerri Guzman  
Gerri Guzman  
Vice President of the Board of Education